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March 17, 1983

Marshall E. Miller, Esq., Chairman
 Administrative Judge
 Atomic Safety and Licensing Board
 U.S. Nuclear Regulatory Commission
 Washington, DC 20555

Dr. Kenneth A. McCollom
 Administrative Judge
 Dean, Division of Engineering,
 Architecture and Technology
 Oklahoma State University
 Stillwater, OK 74078

Dr. Walter H. Jordan
 Administrative Judge
 881 W. Outer Drive
 Oak Ridge, TN 37830

In the Matter of
 Texas Utilities Generating Company, et al.
 (Comanche Peak Steam Electric Station, Units 1 and 2)
 Docket Nos. 50-445 & 50-446

Dear Administrative Judges:

Enclosed for the information of the Board is a copy of an Inspection Report (82-25/82-13) and Notice of Violation, which the NRC Staff issued on February 28, 1983. This report is a follow-up to previous inspections relating to the TUGCO source surveillance activities (e.g., Inspection Report 80-20, NRC Staff Exhibit 125). Region IV routinely distributed this report to the parties.

Sincerely,

Marjorie U. Rothschild
 Counsel for NRC Staff

Enclosure: As stated
 cc w/encl: Service List

DS07

OFC	:OELD	<i>MUR</i>	:OELD	:	:	:	:	:
NAME	:MURothschild:	SATreby	:	:	:	:	:	:
DATE	:3/17/83		:3/17/83	:	:	:	:	:

FEB 28 1983

In Reply Refer To:

Dockets: 50-445/82-25

50-446/82-13

Texas Utilities Generating Company
ATTN: R. J. Gary, Executive Vice
President & General Manager
2001 Bryan Tower
Dallas, Texas 75201

Gentlemen:

This refers to the inspection conducted by Messrs. J. T. Conway, H. W. Roberds, and R. C. Stewart of our staff during the period November 22-24, 1982, of activities authorized by NRC Construction Permits CPPR-126 and CPPR-127 for the Comanche Peak facility, Units 1 and 2, and to the discussion of our findings with Messrs. Vega, Boren, and other members of your staff at the conclusion of the inspection.

Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspectors.

During this inspection, it was found that certain of your activities were in violation of NRC requirements. Consequently, you are required to respond to these violations, in writing, in accordance with the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation enclosed with this letter.

The discoveries at the Comanche Peak facility of weld defects in components which had been previously inspected and accepted at the vendor facilities by Texas Utilities Generating Company (TUGCO) personnel raise concerns in regard to compliance of TUGCO source surveillance activities with the requirements of Criterion VII of Appendix B to 10 CFR Part 50. It is acknowledged that a recent action was initiated (Reference: R. J. Gray/G. L. Madsen letter dated December 27, 1982) to improve the effectivity of weld inspection by TUGCO source surveillance personnel; namely, the retention for training purposes of

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a consulting firm with specific expertise in the field of ASME and AWS welding requirements. This action does not in itself, however, fully resolve present NRC concerns in regard to the scope and overall effectivity of the TUGCO source surveillance program.

An NRC inspection in July 1982 of a TUGCO manufacturer (i.e., Chicago Bridge and Iron Company), revealed instances of vendor failure to adequately control inprocess fabrication activities. Examples of deficiencies noted included: failure to comply with the preheat and interpass temperature requirements of welding procedure specifications, absence of QA program provisions for assuring performance of required nondestructive examination of weld repairs, absence of required repair cavity documentation for performance of weld repairs after final assembly postweld heat treatment, improperly maintained welder qualification records, and shipment of a component containing an unresolved dimensional nonconformance. As identified in the enclosed inspection report, our review of TUGCO vendor QA records for this manufacturer showed that approximately 90 percent indicated unacceptable vendor inspection performance for the time period of 1980 through 1982. This vendor had, however, been denoted by your rating system as having an acceptable performance for 1980 and 1981.

The results of this inspection and that performed of the identified vendor bring into question whether current surveillance practices sufficiently address vendor inprocess activities, and whether the TUGCO vendor performance measurement system gives a sufficient weighting to significant identified product deficiencies and deficiencies of a recurring nature. Accordingly, you are requested to evaluate these areas of concern and, in addition to the response noted above, provide to us a description of those actions which have been or will be implemented to more effectively assess vendor performance and assure timely vendor corrective actions.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosures will be placed in the NRC Public Document Room unless you notify this office, by telephone, within 10 days of the date of this letter, and submit written application to withhold information contained therein within 30 days of the date of this letter. Such application must be consistent with the requirements of 2.790(b)(1).

Texas Utilities Generating
Company

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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

Original Signed By:
G. L. Madsen

G. L. Madsen, Chief
Reactor Project Branch 1

Enclosures:

1. Appendix A - Notice of Violation
2. Appendix B - NRC Inspection Report 50-445/82-25
50-445/82-13

cc w/encl:

Texas Utilities Generating Company
ATTN: H. C. Schmidt, Project Manager
2001 Bryan Tower
Dallas, Texas 75201

bcc to DMB (IE01)

APPENDIX A

NOTICE OF VIOLATION

Texas Utilities Generating Company
Comanche Peak Steam Electric Station

Dockets: 50-445/446
Permits: CPPR-126
CPPR-127

Based on the results of an NRC inspection conducted during the period of November 22-24, 1982, and in accordance with the NRC Enforcement Policy (10 CFR Part 2, Appendix C), 47 FR 9987, dated March 9, 1982, the following violations were identified:

A. Certification of Inspectors

10 CFR Part 50, Appendix B, Criterion XVII, states, in part, "Sufficient records shall be maintained The records shall . . . include . . . qualification of personnel"

Section 17.1.17, "Quality Assurance Records" of the QA Program for design and construction contained in the FSAR Amendment 25, dated August 7, 1981, states, in part, ". . . records that are required to be maintained . . . include . . . personnel certification"

Section 3.2 of Procedure CQP-YC-4, "Guidelines for Certifying Vendor Compliance Inspection Personnel," states, "Certifications are valid for 3 years. The certification expiration date will be stated on the certification."

Contrary to the above, a review of QA training records for eight inspectors revealed the following:

1. The Level III inspector was not recertified until July 13, 1982, following certification to SNT-TC-1A on July 28, 1977.
2. The certification expiration date was missing from the records for all inspectors.

This is a Severity Level V Violation. (Supplement VII)

B. Audits

10 CFR Part 50, Appendix B, Criterion XVIII, states, in part, "The audits shall be performed in accordance with . . . checklists Followup action, including reaudit of deficient areas, shall be taken"

Section 17.1.18, "Audits" of the QA program for design and construction contained in the FSAR; Amendment 29, dated December 21, 1981, states, in part, ". . . TUGCO QA: 3. Provides auditing checklists 8. Requires reauditing of deficient areas"

Section 4.2.1 of ANSI N45.2.12, "Requirements for Auditing Quality Assurance Programs for Nuclear Power Plants," Draft 3, Revision 0, states, "An individual audit plan describing the audit to be performed shall be developed and documented." Section 4.3.2.1 states, in part, "Checklists . . . shall be used to ensure depth and continuity of audits." Section 5.2 states, in part, "Records shall be generated and retained for all audits. Records shall include . . . audit plans . . ."

Section 19 of ANSI N45.2-1971, "Quality Assurance Program Requirements for Nuclear Power Plants" states, in part, "Deficient areas shall be re-audited until corrections have been accomplished."

Contrary to the above, a review of the QA records for nine audits relating to NPS Industries revealed the following:

1. Audit plans were missing for four audits conducted in October 1978, May 1979, July 1980, and November 1980.
2. Checklists were missing for two audits conducted in October 1978 and May 1979.
3. Two deficiencies identified in an audit conducted in October 1980 were not evaluated for implementation of corrective action during a subsequent audit conducted in November 1981.

This is a Severity Level V Violation. (Supplement VII)

Pursuant to the provisions of 10 CFR 2.201, Texas Utilities Generating Company is hereby required to submit to this office, within 30 days of the date of this Notice, a written statement or explanation in reply, including: (1) the corrective steps which have been taken and the results achieved; (2) corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved. Consideration may be given to extending your response time for good cause shown.

Dated: February 28, 1983

APPENDIX B

U. S. NUCLEAR REGULATORY COMMISSION
REGION IV

Report: 50-445/82-25
50-446/82-13

Dockets: 50-445; 50-446

Licensee: Texas Utilities Generating Company (TUGCO)
2001 Bryan Tower
Dallas, Texas 75201

Facility Name: Comanche Peak Steam Electric Station, Units 1 and 2

Inspection At: 2001 Bryan Tower, Dallas, Texas

Inspection Conducted: November 22-24, 1982

Inspectors: J. T. Conway 2/23/83
J. T. Conway, Metallurgical Engineer
Reactive & Component Program Section, VPB
Date

I. Barnes 2/24/83
for H. W. Roberds, Mechanical Engineer (Components)
Reactive & Component Program Section, VPB
Date

R. C. Stewart 2/23/83
R. C. Stewart, Reactor Inspector
Reactor Project Section A, RPB 1
Date

Approved: I. Barnes 2/24/83
I. Barnes, Chief
Reactive & Component Program Section, VPB
Date

T. F. Westerman 2/25/83
T. F. Westerman, Chief
Reactor Project Section A, RPB1
Date

Inspection Summary

Inspection Conducted November 22-24, 1982 (Report 50-445/82-25; 50-446/82-13)

Areas Inspected: Routine, unannounced inspection of certification and inspector qualifications; control of purchased material, equipment, and services; and audits. The inspection involved 44 inspector-hours by three NRC inspectors.

Results: Within the areas inspected, two violations were identified.

Details1. Persons ContactedPrincipal Licensee Personnel

- *T. Vega, Supervisor, QA Services
- *J. C. Walker, Senior Inspector, QA
- *S. Spencer, QA Auditor
- *A. H. Boren, Supervisor, Vendor Compliance
- *D. Anderson, Supervisor, QA Audits

*Denotes those attending the exit interview.

2. Control of Purchased Material, Equipment and Services

The NRC inspectors reviewed the vendor quality assurance rating forms for Chicago Bridge and Iron Company (CB&I), Salt Lake City, Utah, for the years 1980, 1981, and 1982, through the date of this inspection. Approximately 90 percent indicated an unacceptable performance rating for CB&I inspection. The deficiencies noted included rejectable welds, dimensions not in accordance with drawings, oversized holes, and holes not drilled in accordance with drawing requirements. However, the TUGCO QA vendor rating system indicated this vendor to be of acceptable performance for 1980 and 1981 and did not require additional audits during this time frame.

In September 1980, a reinspection was made at the Comanche Peak site of 112 CB&I manufactured pipe restraint assemblies in response to the Notice of Violation in NRC Inspection Report 50-445/80-20; 50-446/80-20. As a result of this reinspection, 49 assemblies were determined to require rework in order to comply with the applicable inspection requirements of Subsection NF of Section III of the ASME Code.

3. Certification of Inspectors

The NRC inspectors reviewed Procedure CQP-VC-L, Revision 4, "Guidelines for Certifying Vendor Compliance Inspection Personnel," and examined the records for eight inspectors from the Vendor Compliance Group for QA training and certification. In this area of the inspection, it was found that the Level III inspector was not recertified until July 13, 1982, following certification to SNT-TC-1A on July 28, 1977; and the certification expiration date was missing from the records for all inspectors.

4. Audits

The NRC inspectors reviewed audit reports and pre-award surveys conducted by TUGCO for NPS Industries and CB&I from 1978 to the date of the inspection, in order to assure that audits were conducted in accordance with QA program commitments and that followup audits were performed to verify that

corrective action was implemented. In this area of the inspection, it was found that audit plans were missing for four audits conducted in October 1978, May 1979, July 1980, and November 1980; checklists were missing for two audits conducted in October 1978 and May 1979; and two deficiencies identified in an audit conducted in October 1980 were not evaluated for implementation of corrective action during a subsequent audit conducted in November 1981.

5. Exit Interview

Exit interview was conducted on November 24, 1982, with those personnel denoted in paragraph 1 of this report to summarize the scope of the inspection and the findings.